

International Electronics Manufacturers and Consumers of America
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Mr. Andrew Stephens
Director of Steel Trade Policy
Office of the U.S. Trade Representative
600 Seventeenth Street, N.W.
Washington, DC 20508

Subject: Request for exclusion from any Section 201 remedy of unique steel product used to help ensure the safety of TV picture tubes, in response to October 26 notice at 66 *Federal Register* 54321.

Dear Mr. Stephens:

I am writing on behalf of the International Electronics Manufacturers and Consumers of America (IEMCA). Our purpose is to respond to the notice dated October 26 at 66 *Federal Register* 54321 that invites comments on requests to exclude products from any remedy in the pending Section 201 investigation of steel imports.

IEMCA is a trade association founded in 1987 and located in Washington, D.C. Its members are leading manufacturers of consumer electronics, optical, telecommunications, and computer products. The U.S. investment of IEMCA's members and their direct suppliers exceeds \$75 billion, their annual U.S. sales exceed \$100 billion, and they employ over 300,000 American workers.

IEMCA supports the exclusion requested for Coated Steel Sheet for Reinforcement or Heat-Shrinkable Bands from any Section 201 remedy. Two founding members of IEMCA, Sony Electronics Inc., and Matsushita Electric Corporation of America, parent of Matsushita Display Devices Company of America, formally filed requests for the exclusion.

The steel in question is unique. It is used to make secure bands that protect the picture tubes used in "flat screen" model TVs from imploding and injuring consumers. There are compelling reasons, as follows, for excluding this product from a remedy in the Section 201 steel case:

- The U.S. steel industry does not make the product and has declined to do so. Accordingly, U.S. steelmakers will sustain no injury if the U.S. continues to import the product without sanction.
- Customer safety is a paramount issue. The steel in question has been specially designed and tested to maximize its strength and durability. No domestic producer is willing and able to duplicate the product. Even if one were, up to a year would be required for U.S. TV manufacturers to test and certify its capability and reliability.
- Nearly six thousand workers are employed by the U.S. TV manufacturers that incorporate the steel in question into certain of their picture tubes. Any remedy in the Section 201 case that penalizes the steel in question would put at risk part of those jobs. A tariff could raise the cost of producing TV picture tubes sufficiently to cause a decline in consumer demand that could in turn cause production to be reduced. A quota could deprive U.S. TV makers of sufficient quantities of a component essential to customer safety and likewise in turn curtail production.

Conclusion: Imports of the singular steel described in this letter are not a source of injury to the domestic steel industry because it does not produce this product and has declined to do so on the grounds that it cannot duplicate the product's unique properties. IEMCA therefore urges the President to exclude Coated Steel Sheet for Reinforcement or Heat-Shrinkable Bands from any remedy he opts to impose in the Section 201 case.

If you have any questions, please contact me at the above address, at (202) 783-7272, or at rrgill@vfrench.com.

Sincerely,

Richard R. Gill